

RESOLUTION NO. 1309

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, relating to finance and revenue, and authorizing the initiation and repayment of internal short-term loans to cover temporary cash shortages in the General Fund.

WHEREAS, the General Fund's cash balance may be at times insufficient to pay claims and payroll during certain times of the year, and

WHEREAS, the authorization of daily short-term loans allows the City to cover temporary cash shortages in the General Fund, and

WHEREAS, daily short-term borrowing provides the City Council with more information and control over the extent of the negative cash situations, and

WHEREAS, the borrowing is limited specifically to amounts identified for General Fund purposes for which the General Fund has a right at any time to return those set aside amounts to the General Fund, and

WHEREAS, it would be advisable to formally authorize the initiation and repayment of internal short-term loans to cover temporary cash shortages in the General Fund; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

Sec. 1. The Des Moines City Council authorizes the Finance Director to initiate and repay internal short-term loans to cover temporary cash shortages in the General Fund, using the daily short-term borrowing method.

Sec. 2. When the General Fund's cash is zero, the Finance Director is hereby authorized to pay claims and payroll the same as if cash was available. The additional cash necessary to pay such claims and payroll shall be borrowed from the Equipment Replacement Fund and/or the Computer Replacement Fund subject to the following terms and conditions:

(1) The amount of such borrowings shall not exceed the scheduled ending cash balance in those funds allocated to the General Fund as determined by the appropriate replacement schedules.

(2) The rate of interest on such borrowings shall be zero percent (0%).

(3) The amount borrowed shall be repaid the next day.

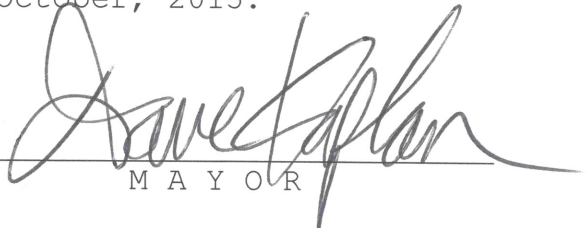
(4) The amount of borrowing and repayments shall be by memo entry only.

(5) A report of such memo entries listing the daily cash borrowings shall be provided to the City Council at the next regularly scheduled Council meeting.

Sec. 3. Ratification. All acts undertaken prior to the effective date of this Resolution that are consistent with the intent and purpose of same are hereby ratified, confirmed, and approved.

Sec. 4. Effective date. This Resolution shall take effect and be in full force immediately upon adoption by the Des Moines City Council.

ADOPTED BY the City Council of the City of Des Moines, Washington this 8th day of October, 2015 and signed in authentication thereof this 8th day of October, 2015.


MAYOR

APPROVED AS TO FORM:


City Attorney

ATTEST:


City Clerk